

IN THE SENATE OF THE UNITED STATES.

JANUARY 10, 1891.—Ordered to be printed.

Mr. HIGGINS, from the Committee on Claims, submitted the following

REPORT:

[To accompany S. 4749.]

The Committee on Claims, to whom was referred the bill (S. 4749) for the relief of the Portland Company, of Portland, Me., have considered the same and respectfully report:

At the first session of this Congress a bill (S. 473) for the relief of the Portland Company was passed by the Senate and by the House of Representatives and was returned by the President without his approval. The report of this committee (No. 1345) upon that bill is adopted for the present bill and is hereto appended.

The President disapproved of Senate bill No. 473 because in his judgment it did not make the further allowance to the contractor contingent upon the fact that the additional expense was the result of the acts of the Government through its officers, that the allowance was to be irrespective of the negligence or want of skill of the contractors, and that the contractor was to recover on the *quantum meruit*, independent of his contract. The present bill has been prepared to meet these objections so far as they are applicable to the facts of the case. The word "necessarily" has been inserted before the word "cost." The claimant is now required to show that it exercised ordinary prudence and diligence, and to the Court of Claims is committed the ascertainment of the truth of the allegations of claimant upon which it rests its claim for relief.

Senate Report No. 1345, Fifty-first Congress, first session.

On August 30, 1862, the Navy Department entered into contracts with the Portland Company, of Portland, Me., for the construction of the machinery, engines, and boilers for the two double-ender gun-boats *Agawam* and *Pontoosuc*, the contract price in each case being \$82,000. By the terms of these contracts the machinery of the *Agawam* was to be completed and delivered to the Government by June 5, 1863, or within one month and a half from April 21, 1863, the date of receiving from the builders the hull of said vessel; while the machinery of the *Pontoosuc* was to be completed and delivered by July 5, 1863, or within one month and a half from May 20, 1863, the date of receiving the hull of said vessel from the contractors.

The records show that the machinery of the former—the *Agawam*—was not completed and delivered until November 30, 1863, or six months, lacking five days, after the time specified; while that of the *Pontoosuc* was not completed and delivered until April 14, 1864, or nine months and ten days subsequent to the date specified in the contract for completion and delivery.

It is claimed by the claimant, and there is some evidence before your committee tending to support the claim, that the contracts were entered into at the urgent request of prominent Navy officials, acting under instructions from the Navy Department, and in advance of the preparation of the working drawings and under what may be not improperly described as threats that unless the contracts were taken on the terms proposed by the Department, viz, of \$82,000 each or \$164,000 for the two, the company would by the Department be placed on the black-list, or in the category of those establishments not entitled to the patronage of the Department in the future; and still further, that a failure to accept the offer made by the Department to take these contracts would result in a probability that claimant's shop would be taken possession of by the Department and operated exclusively for the Government work.

The claim is further made, and there is evidence tending to support the allegation, that a positive assurance was given to claimants before and at the time of entering into said contracts and as inducements moving thereto by Benjamin F. Isherwood, Chief Engineer in the U. S. Navy, then Chief of the Bureau of Steam Engineering in the Navy Department, acting, it is claimed, under instructions and author-

ity from the Department to the effect that the weight of the engines and boilers to be constructed for the double-enders *Agawam* and *Pontoosuc* would be about the same, or at most not exceeding 15 per cent. in weight of those of the *Paul Jones*, a vessel then constructed, and the weight and cost of which were well known to the Department and these contractors. The weight of the machinery and appliances of the *Paul Jones* was at the time of entering into said contract, stated, known, and understood to be about 387,398 pounds.

It is further claimed that the working drawings of the *Agawam* and *Pontoosuc* were furnished by the Department for the different parts of the engines only as the work progressed, and it is alleged the great excess of weight over that of the machinery of the *Paul Jones* was not ascertained until after the materials were all ordered and much of the work was done. Furthermore, it was found when the engines were completed that they greatly exceeded in weight those of the *Paul Jones*—the former weighing over 600,000 pounds, the difference in weight being over 60 per cent. of that of the *Paul Jones*, instead of not exceeding 15 per cent. as per representations of Department officials, and thus adding largely to the cost both of the material and labor in the work of construction.

It is insisted by claimant that the delay in the completion and delivery of the machinery for these vessels in the one case, that of the *Agawam*, nearly six months, and in the other, the *Pontoosuc*, nine months and nine days, was not occasioned by any fault of the claimants but by that of the Navy Department, and that during such delay the price of labor and materials was abnormally advanced by reason of the war of the rebellion, and thus the cost to claimants of the construction of said machinery was largely increased. They allege, and the evidence on this point seems quite conclusive, that the actual cost to claimants in constructing this machinery for the two vessels named, not including any charge for condemned material or faulty workmanship nor for the use of tools nor interest on money, and including only the actual cost of material and labor, with the single exception of the castings made by the company, which were estimated for, and in which there might have been, it is conceded, a small profit, was \$222,606.79. In addition a claim for extra work not included in the foregoing statement, is also submitted amounting to the sum of \$1,219.37, making a total of actual money paid out of \$223,826.16. From this deduct the contract price of the two vessels, viz, \$164,000, leaving an excess of actual expenditure over contract price of \$59,826.16, while if to this should be added a claim on the part of claimants, which it is insisted—and not without considerable reason as to the principle upon which the claim is based, although your committee would consider the percentage of amount claimed as somewhat extravagant—should be considered as part of the actual cost of the vessels' machinery, estimated at 12 per cent. of the whole amount, for proportion to general expenses in running the work, and which, if allowed would amount to \$26,712, making a total loss to claimants, figuring in this manner and giving them the full benefit of their claim, of \$86,538.88.

This claim was submitted to Congress in connection with other similar claims, and on March 9, 1865, the Senate passed the following resolution:

IN THE SENATE OF THE UNITED STATES,

March 9, 1865.

Resolved, That the Secretary of the Navy be requested to organize a board of not less than three competent persons, whose duty it shall be to inquire into and determine how much the vessels of war and steam machinery contracted for by the De-

partment in the years 1862 and 1863 cost the contractors over and above the contract price, and the allowance for extra work, and report the same to the Senate at its next session, none but those who have given satisfaction to the Department to be considered.

Under said resolution the honorable Secretary of the Navy appointed a Board, consisting of Commodore Thomas O. Selfridge, Chief Engineer Alexander Henderson, and Paymaster C. H. Eldridge, which convened at the Brooklyn Navy-Yard June 5, 1865, and continued in session for more than six months.

The Portland Company, coming under the terms of said resolution, presented their claim to said Board, with the vouchers and the evidence in support of it.

See Senate Ex. Doc. No. 18, Thirty-ninth Congress, first session, p. 61, as follows:

The Board, after a critical examination of the bills of cost presented by the several contractors for vessels and steam machinery contracted for in the years 1862 and 1863, who have appeared and made sworn statements, has determined the excess of cost in the several cases over and above the contract price and allowance for extra work to be as follows:

Engine and boilers for the wooden double-ender <i>Agawam</i>	\$40, 433. 73
Engines and boilers for the wooden double-ender <i>Pontoosuc</i>	40, 433. 73
Total.....	80, 867. 46

All of which is respectfully submitted.

THOMAS O. SELFRIDGE,
Commodore and President of Board.
MONTGOMERY FLETCHER,
Chief Engineer.
CHAS. H. ELDRIDGE,
Paymaster.

Hon. GIDEON WELLES,
Secretary of the Navy, Washington, D. C.

This investigation and report covered and included contracts for the construction of hulls and machinery of some twenty-six other vessels.

On January 31, 1866, this report was referred to the Committee on Naval Affairs of the Senate, which committee, on March 22, 1866, made a report thereon (No. 45, first session, Thirty-ninth Congress), accompanying a bill for the payment of the awards thus made. In said report the committee say:

From June till December last, the Board organized by the Secretary of the Navy, under the Senate resolution, composed of eminent officers of the Navy, was engaged in hearing evidence and investigating the claims of these parties. That investigation seems to have been fairly, carefully, and thoroughly made. It was by officers of the Department, and the award, which the committee believe to be substantially right, should be adopted as the basis of relief to the parties, and therefore the committee report the accompanying bill.

This claim was never presented, as will appear from the following communication of date May 19, 1890, from the Secretary of the Navy, to what is familiarly and commonly known as the "Marchand Board," organized under the act of Congress of March 2, 1867.

NAVY DEPARTMENT,
Washington, May 19, 1890.

SIR: I have the honor to acknowledge the receipt of your letter of the 5th ultimo inclosing a bill (S. 473) "For the relief of the Portland Company, of Portland, Me.," and requesting such information as the records of this Department may afford relating to the claim of that company, "for work done and material furnished in the construction of the United States double-ender gun-boats *Agawam* and *Pontoosuc*, as per report of Thomas O. Selfridge, commodore and president of board, Senate Executive Document No. 18, first ses on Thirty-ninth Congress."

In reply I have to state that under date of May 25, 1865, in pursuance of the following resolution, passed by the Senate on the 9th of March of that year, viz:

"*Resolved*, That the Secretary of the Navy be requested to organize a board of not less than three persons, whose duty it shall be to inquire into and examine how much the vessels of war and machinery, contracted for by the Department in the years 1862 and 1863, cost the contractors over and above the contract price and allowance for extra work, and report the same to the Senate at its next session. None but those who have given satisfaction to the Department to be considered."

the Secretary of the Navy appointed a board of which Rear-Admiral (then Commodore) Thomas O. Selfridge was the presiding officer, to inquire into and determine the cost to the contractors over and above the contract price and allowance for extra work, of the vessels and steam machinery contracted for by the Department during the years designated in the resolution.

The Board completed its duties on the 23d of December, 1865, and submitted its report to the Department. After a careful search the original of this report can not be found upon the files, but the records of the Department show that under date of January 30, 1866, a copy of the record of the Board was transmitted to the Senate. The record was thereupon printed as Senate Executive Document No. 18, first session of the Thirty-ninth Congress.

It appears from the record of the board (page 62 of the Executive Document referred to), that the excess in cost to the Portland Company under their contracts with the Department for the construction of the machinery of the wooden double-enders *Agawam* and *Pontoosuc* was determined by the board to be \$40,433.73 in the case of each vessel, or, for both of the vessels \$80,867.46, the sum mentioned in the bill.

The records of the Department also show that the Department entered into contracts with the Portland Company, under date of August 30, 1862, for the construction of the machinery of the *Agawam* and *Pontoosuc*, the contract price in each case being \$82,000. With regard to payments under these contracts, the Bureau of Steam Engineering reports that all the payments were regularly made in the case of each vessel to the full amount named in the contracts, and that the bills for the steam trials, amounting to \$4,838.38 for the *Agawam*, and \$2,564.21 for the *Pontoosuc*, were also paid in full.

In pursuance of an act of Congress, approved March 2, 1867 (Stats. at Large, vol. 14, page 424), which directed the Secretary of the Navy "to investigate the claims of all contractors for building vessels of war and steam machinery for the same, under contracts made after the 1st day of May, 1861, and prior to the 1st day of January, 1864, and to report to Congress a tabular statement of each case, which shall contain the name of the contractor, a description of the work, the contract price, the whole increased cost of the work over the contract price, and the amount of such increased cost, caused by the delay and action of the Government aforesaid, and the amount already paid the contractor over and above the contract price," the Department appointed a board, of which Commodore J. B. Marchand was the presiding officer, to examine the several claims presented; but it does not appear that the claim of the Portland Company on account of the construction of the machinery of the *Agawam* and *Pontoosuc* provided for in the bill under consideration, was presented to or reported upon by this Board. The report of the Marchand Board is contained in Senate Executive Document No. 3, Fortieth Congress, second session.

Very respectfully,

B. F. TRACY,
Secretary of the Navy.

Hon. JOHN H. MITCHELL,
Committee on Claims, United States Senate.

As illustrating the statement, *supra*, as to the means employed by the chief engineering officer of the Navy Department, presumably under instructions from the Department, superinduced it is true, doubtless, by the pressing necessity growing out of actual and flagrant war, your committee beg to attract attention to the following extracts from the sworn testimony of Chief Engineer Benjamin F. Isherwood, given in the city of New York, November 6, 1873, in the case of *The Washington Iron Works*, for the use of George M. Clapp, *vs.* The United States, then pending in the Court of Claims and growing out of a contract of even date with those now under consideration, for the construction of the double-ender gun-boat *Lenapee* and which was one of the twenty-seven vessels, including the *Agawam* and *Pontoosuc*, contracted about the same time and under substantially similar circumstances:

Testimony of Benjamin F. Isherwood, late Chief of the Bureau of Steam Engineering in the Navy Department.

[Court of Claims of the United States. The Washington Iron Works, for the use of George M. Clapp, against the United States. No. 7169.]

NEW YORK, November 6, 1873—11 a. m.

Present for the United States, Samuel Huntington, esq.; for the claimant, Martin V. B. Bachman, esq.

BENJAMIN F. ISHERWOOD, being called by the claimant and sworn, testified as follows in response to the commissioner: My name is Benjamin F. Isherwood. I am a chief engineer in the United States Navy; am over twenty-one years of age; reside at 11 East Thirty-sixth street, New York City; have no interest, direct or indirect, in the claim which is the subject of this inquiry, and am not related, in any way that I know of, to the above-named claimant.

In response to Mr. Bachman:

I have been an engineer for about thirty years, and in the United States naval service as an engineer for about twenty-eight or twenty-nine years. Was in said service all of 1862 as Chief of Bureau of Steam Engineering in the Navy Department.

Question. During 1862, while acting in that capacity, did you have anything to do, on the part of the Government, with contracting for the construction of steam machinery and appurtenances for a class of vessels called double-enders?—Answer. Yes.

Question. Was the *Lenapee* one of that class of vessels?—Answer. It was.

Question. State, if you please, what you had to do with the making of the contracts for said machinery?

(Objected to by counsel for the United States as immaterial.)

Answer. By the direction of the Department, advertisements were put in the principal papers of the country, asking for sealed proposals (objected to by counsel for the United States) for the construction of the class of machinery referred to, according to specifications and plans prepared by the bureau. In response a number of proposals were received at varying prices, the lowest being \$80,000, the next lowest \$82,000; the contract for two vessels was awarded to the bidder for \$80,000, and also a contract to the bidder for \$82,000. The Department then decided that it would not exceed this latter price, but would offer as many contracts at that price as it could get taken. To the best of my recollection the highest bid was \$125,000. No additional offers were received for contracts at \$82,000, and I was directed by the Department to personally visit the principal shops and urge upon them the acceptance of this work for the \$82,000, a sum which the Department had decided not to exceed. I accordingly visited the shops, and used all the arguments I could devise to induce them to accept the work on these terms. In this way contracts for the machinery of twenty-six or twenty-seven vessels were made, and the *Lenapee* was one of that number. Said twenty-six or twenty-seven vessels include those that were awarded on the original proposals as well as those taken on my personal solicitation.

(Counsel for the United States objects to whole of last answer as immaterial; and also objects to such parts of it as state the contents of written instruments, and such as state what the Department decided and ordered.)

Question. State, if you can, the names of vessels for which machinery was contracted under the circumstances you have just related.—Answer. *Sassacus*, *Patuxet*, *Tallapoosa*, *Winooska*, *Mackinaw*, *Shamrock*, *Tallahoma*, *Taconey*, *Iosco*, *Agawam*, *Pontoosuc*, *Massasoit*, *Osceola*, *Mattabessett*, *Chicopee*, *Ascutey*, *Otsego*, *Metacomet*, *Chenango*, *Lenapee*, *Mendota*, *Mingoe*, *Wyalusing*, *Pontiac*, *Wateree*, *Eutaw*, *Peoria*.

Question. Which two of those were awarded on the bids?

Adjourned at 11.55 a. m. till 1 p. m. November 6, 1873.

NOVEMBER 6, 1873—1 p. m.

Present for the United States, Samuel Huntington, esq.; for the claimant, Martin V. B. Bachman, esq.

Direct examination of Benjamin F. Isherwood (continued).

Answer. The *Mendota* and the *Metacomet*.

Question. State, if you please, what arguments you used to induce the parties who took this contract to construct the machinery to so take it.

(Counsel for the United States objects to as immaterial.)

Answer. The general scope of the arguments was, that the Government was very greatly in need of this work, and that, as loyal supporters of the Government, they were bound to meet its needs; that a refusal to do so would place them in the category of those not entitled to the patronage of the Department hereafter. I also stated that, unless the shops responded to the best of their ability, to the exigencies of the Department, I would recommend what I had before suggested to the Depart-

ment, to take possession of the shops and have them operated exclusively for the Government work

Question. Were the engines put in the twenty-seven vessels you have named similar to those put in the vessel called the *Paul Jones*?

(Counsel for the United States objects to as immaterial.)

Answer. They were of the same type, but of very different dimensions.

Question. In what respect?—Answer. The engines of the *Lenapee* were about eighty-one per cent. larger than those of the *Paul Jones*, making the comparison by capacity of cylinder. The diameter of the cylinder of the *Paul Jones* was 48 inches, and its stroke of piston 7 feet. The diameter of the cylinder of the *Lenapee* was 58 inches, and its stroke of piston 8½ feet.

Question. What was the weight of the machinery and appurtenances in the *Paul Jones*?

(Counsel for the United States objects to as immaterial.)

Answer. It was 387,398 pounds.

Question. State, if you can, the weight of the machinery and appurtenances in the *Lenapee*.—Answer. Five hundred and thirty-two thousand and ten pounds.

Question. Were you at that time acquainted with the costs of construction of naval machinery of that class?—Answer. I had a general opinion of it, but, not being a builder, I could not depend on that opinion as precise.

Question. Have you since that time become familiar with the subject?—Answer. I have.

Question. Was, or was not, \$82,000 a fair price for the construction of the machinery and appurtenances for the *Lenapee*, in your opinion?

(Counsel for the United States objects to as immaterial.)

Answer. I think it was inadequate.

Cross-examined by Samuel Huntington, esq., counsel for the United States.

Question. How do you know the weight of the machinery and appurtenances of the *Lenapee*?—Answer. The contract requires the contractor to furnish an inventory of the weight and material of each part of the machinery and of all its appurtenances; and from these inventories the above weights are given.

Question. Did you ever see these inventories?—Answer. I did; they came to me in my official capacity as chief of bureau.

Question. Did you take copies of memoranda from the inventory of the weight and material of the machinery of the *Lenapee*?—Answer. I had the inventories of the weights of the machinery for a large number of these vessels, all of which differed more or less, and I took the average which is the weight given in my testimony, and the average for the whole of them was 532,010 pounds.

Question. Then do I understand you to mean that 532,010 pounds was the exact weight of the machinery and appurtenances of the *Lenapee*?—Answer. No. It was the average weight of the machinery of that class, and probably varied a few per cent. from the weight of the *Lenapee*.

Question. By whom was that average computed?—Answer. By myself.

Question. When?—Answer. In 1864 and 1865, and published in 1865 in a work entitled *Experimental Researches in Steam Engineering*, Volume Second.

By the Commissioner:

Question. Do you know of any other matter relative to the claim in question?—Answer. Not that I am aware of.

B. F. ISHERWOOD.

Subscribed and sworn before me this 6th day of November, A. D. 1873.

WILLIAM BLAIRIE,

Commissioner of the United States Court of Claims.

That claimants were losers on this contract to an amount nearly, if not quite, equal to one-half of the whole contract, there can be but little doubt, as were most, if not all, of the contractors engaged in the construction of the twenty-seven gun-boats mentioned in the report of the Selfridge Board. These contracts were entered into in abnormal times. War was raging, it is true, but many were the predictions then made, by some of our ablest statesmen, that it could not and would not last more than a few months at most. Those who, gifted with the greatest prescience, could not and did not predict as to the future with any degree of accuracy, and few there were, indeed, who, in August, 1862, the date when these contracts were entered into, could have been made to believe that nearly three years from that date would find the war still

raging with unabated fury, millions of men still in arms, and prices of all kinds of labor, materials, and provisions doubled or trebled in amount.

In discussing this very claim, and others of like character, Senator Sumner (see Cong. Globe, 1865, p. 1892,) said :

The Senator from Kentucky said that they took the war into their calculations. Perhaps they did; but who among these contractors could take that war adequately into his calculations? Who among those sitting here or at the other end of the avenue properly appreciated the character of the great contest that was then going on? Sir, we had passed half a century in peace; we knew nothing of war or of war preparations, when all at once we were called to efforts on this gigantic scale. Are you astonished that these contractors did not know more about the war than your statesmen? Be to these contractors as gentle in judgment and as considerate as you have been to others in public life who have erred in their calculations with regard to it. (Cong. Globe, page 1987.)

The building of that invulnerable Navy was one of the great victories of the war, not to be commemorated on any special field, but to be seen in those mighty results which we all now enjoy.

And now again I ask, are you ready to see these contractors who have done this service sacrificed? You do not allow the soldier to be sacrificed, nor the national creditor who has taken your stock; will you allow the mechanic to be sacrificed?

* * * My friend on my right (Mr. Nye) asked you to be magnanimous to these contractors. I do not put it in that way. I ask you simply to be just. Do by them as you would be done by. The Senator from Nevada also very fitly reminded you of the experience of other countries. He told you that England, at the close of the Crimean war, when her mechanics had suffered precisely as your mechanics have suffered, did not allow them to be sacrificed, but every pound and shilling of their liabilities under their contracts was promptly met by that Government. Will you be less just to your mechanics than England? It is an old saying that "republics are ungrateful." I hope that this Republic may certainly vie with any monarchy in gratitude to those who served it. (Cong. Globe, page 1987.)

During the same debate Senator Hendricks, of Indiana (See Congressional Globe, page 1964, 1865), said:

I am of the opinion that these sums ought to be paid, as a matter of justice and right, by the Government to these contractors. Each case, of course, has its special merits or demerits. But, sir, I believe in the doctrine that where a man contracts to do a great and very important work for the Government, he ought not to be allowed to be a large loser, and, in some cases, as will be the result here, to be broken up by the contract that he may have made, and especially in the case of contracts made at such a time as these were made and for such work as they were made. * * * We had to have these ships; the Government could not progress in the war without them, and great numbers had to be manufactured or contracted for about the same time. What was the effect of that? The Government made a contract with one man, then with another, then with another, and started her own ship-yards with all the force it was possible to command. What was the effect of that? Of course, to increase the price of labor; of course, to increase the price of material required in the construction of the ships. There are some general views about the equity of these claims without reference to the particular merit of each case.—(Congressional Globe, page 1890, 1866).

The point is that, these contracts being made in 1862 and 1863, the prices continued to advance during all the time that these parties were building the vessels and constructing the machinery for them, so that they were overtaken by this enormously high rate of prices and destroyed. (Cong. Globe, p. 1892.)

These contracts were made by some below their own propositions, and at barely fair prices at the then current rates. Is there any Senator here who wishes to see these men broken up merely because they entered into a contract with the Government? Is there any Senator here who wishes to say to these men, We have your bond, and we will hold you to your bond; we will take the blood out of your business; we will have the pound of flesh? (Cong. Globe, p. 1964.)

That Congress has in the past comprehended the injustice of permitting these contractors and others similarly situated to bear the immense losses they suffered under the circumstances stated has been made apparent in various proceedings, had at different times since the close of the war, sometimes by one House acting separately and independently, sometimes by the joint action of both houses—notably in

the former case the action of the Senate of March 9, 1865, which led to the organization of the Selfridge Board, and of the latter by the act of March 2, 1867, which resulted in the organization and report of the Marchand Board, to say nothing of the various special acts of Congress and numerous reports submitted from the committees of the respective houses from time to time. Among the latter reference might be properly made to the following: Report of Senator Nye, Senate Report No. 45, second session, Twenty-ninth Congress; Senate Report No. 37, second session Forty-second Congress; Representative Stone's report, No. 17, second session, Thirty-ninth Congress.

A bill to pay these claimants directly the amount of their claims, as reported by the Selfridge Board, passed the House of Representatives unanimously in the third session of the Twenty-seventh Congress. Various special acts have been passed covering similar cases. Some of them included in the report of the Selfridge Board, to wit:

One of the awards has been paid by joint resolution of March 30, 1867 (15 Stats., 353), by which Donahue, Ryan & Secor were paid \$179,000 for losses sustained by them in constructing the *Comanche*. Amount allowed by the Board, \$179,993.80.

In addition, the following special acts have been passed to relieve contractors in similar cases, to wit:

Act of February 18, 1873, to relieve the heirs of George C. Bester, \$125,000. (17 Stats., 733.)

Act of June 1, 1872, to pay Charles W. Whitney \$50,000. (17 Stats., 671.)

Act of June 10, 1872, to pay J. S. Underhill \$23,310.75. (17 Stats., 691.)

Act of March 2, 1875, to pay Daniel S. Mershon, jr., \$46,715.08. (18 Stats., 635.)

The contractors for building the dome of the Capitol were awarded and paid \$96,000 for increase in the price of labor and material during its construction. The Government prolonged the time of its completion. (See Senate Report No. 132, first session Thirty-ninth Congress.)

John Ericsson was paid \$1,070,438.93 on the *Puritan* (U. S. Statutes, June 25, 1864, vol. 13, 409) for increased cost of labor and materials.

Miles Greenwood, of Cincinnati, Ohio, was paid \$76,000 for increased cost of labor and material in building the United States vessel *Tippecanoe*, in 1873.

Your committee, therefore, amend the bill (S. 473) by striking out all after the enacting clause and inserting an amendment, giving the claimants a standing and hearing in the Court of Claims; and, as so amended, recommend the passage of the bill.

